Attachment

Summary of the Provisions of the Puerto Rico Employment Security Act

The Puerto Rico law covers employers with four or more employees at any time. Elective coverage of excluded employers and employments is permitted.

Subject employers are liable for the standard contribution rate on the first \$3,000 of wages paid to individuals in their employ.

The act provides for weekly benefits ranging from \$7 to \$16 and uniform duration of 12 weeks. Benefits are determined by a weighted schedule of high-quarter wages. The first \$3 in wages are disregarded in determining benefits for partial unemployment.

To be eligible for benefits an individual must have earned \$150 in at least 2 quarters of his base period. The base period is the first four of the last five quarters preceding the benefit year. The benefit year is the 1-year period beginning with the filing of a claim. An individual must register for work, must be able and available for suitable work and must serve a 1-week waiting period.

Disqualifications are imposed for voluntary leaving, discharge for misconduct, refusal of suitable work, unemployment due to a labor dispute and fraudulent misrepresentation. The disqualification period for the three major causes is the week of occurrence and the three following weeks. The labor dispute disqualification is for each week of unemployment due to a stoppage of work because of such dispute. The fraud disqualification is for the week a determination of fraud is made and for the seven following weeks.

The act is administered by the Bureau of Employment Security in the Department of Labor.